EIGHTH ANNUAL REPORT

CAROLINA, CLINCHFIELD AND OHIO RAILWAY

CLEVELAND
PUBLIC LIBRARY

FOR THE FISCAL YEAR ENDED

December 31, 1918

CLEVELAND
PUBLIC LIBRARY

CAROLINA, CLINCHFIELD AND OHIO RAILWAY

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CLEVELAND PUBLIC LIBRARY

AUG 31 1927 MR GIFT REQUEST

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EIGHTH ANNUAL REPORT

NEW YORK, February 28, 1920.

To the Stockholders of

CAROLINA, CLINCHFIELD AND OHIO RAILWAY:

The Eighth Annual Report of the Board of Directors, for the year ended December 31, 1918, is submitted herewith.

As stated in the annual report for the year ended December 31, 1917, the President of the United States took possession and assumed control of Carolina, Clinchfield and Ohio Railways, and, for the purpose of accounting, said possession and control became effective January 1, 1918. The accompanying tables and statistics were furnished by the United States Railroad Administration and are presented for the information of the stockholders.

Under date of February 4, 1920, an agreement was entered into with the Director General of Railroads, by which the annual compensation, during the period of Federal control, was fixed at $1,804,970.46.

MILEAGE

Main line: Elkhorn City, Ky., to North Carolina-South Carolina State Line..	258 76
Branch: Kiser, Va., to Laurel Junction, Va.	5 71
Trackage rights over Norfolk & Western Railway, Kiser, Va. to St. Paul, Va.	8 45
	272 92
Carolina, Clinchfield and Ohio Railway of South Carolina owns and operates	18 09
Total on which regular train service is maintained	291 01

The earnings of Carolina, Clinchfield and Ohio Railway of South Carolina are controlled by ownership of securities, and for convenience, the results of the operation of the entire mileage described above are dealt with as a whole.

The following, with the exception of "Financial," are analyses of the data supplied by the United States Railroad Administration:

GENERAL RESULTS

A summary of the results of operation for the fiscal year ended December 31, 1918, is shown below:

Operating Revenue	$5,022,385 26
Operating Expenses	3,748,029 87
Net Operating Revenue	$1,274,355 39
Taxes	208,457 89
	$1,065,897 50
Miscellaneous Income	128,853 01
*Hire of Equipment	100,795 10
Total Income	$1,295,545 61

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* This amount is the result of only a portion of the year, per diem charges having been discontinued by order of the Director General of Railroads. If continued, Hire of Equipment in 1918 would probably have equalled 1917, viz., $621,445.17.

OPERATING REVENUES

MERCHANDISE FREIGHT OTHER THAN COAL

The revenue from transportation of merchandise freight amounted to one million, five hundred eight thousand, nine hundred fifty-five dollars and thirty-nine cents ($1,508,955.39), being a decrease of one hundred thirty thousand, three hundred fifty-six dollars and seventeen cents ($130,356.17), as compared with the previous year.

The tonnage moved was 1,255,153 tons, a decrease of 391,127 tons.

The number of tons carried one mile amounted to 145,004,505 a decrease of 4,054,090 ton miles, or 2.72 per cent.

The average haul increased from 96.40 to 115.49 miles, an increase of 9.09 miles.

The proportion of gross revenue derived from the transportation of merchandise freight was 30.04 per cent., a decrease of 8.21 per cent.

COAL FREIGHT

From transportation of coal there was derived the sum of two million, nine hundred seventy-two thousand two hundred twenty-four dollars and sixty five cents ($2,972,224.65), an increase of seven hundred fifty-five thousand twenty-six dollars and seventy-four cents ($755,026.74), as compared with the previous year.

The coal tonnage transported amounted to 2,966,917 tons, an increase of 419,695 tons.

The number of tons carried one mile amounted to 556,901,016, an increase of 79,767,861 ton miles, or 16.72 per cent.

The average haul increased from 187.32 to 187.70 miles, an increase of .38 miles.

The proportion of gross revenue derived from the transportation of coal freight was 59.18 per cent., an increase of 7.44 per cent.

ENTIRE FREIGHT TRAFFIC

The total freight revenue derived was four million, four hundred eighty-one thousand, one hundred eighty dollars and four cents ($4,481,180.04), an increase of six hundred twenty-four thousand, six hundred seventy dollars and fifty-seven cents ($624,670.57), as compared with the previous year.

Combining merchandise and coal, the entire freight traffic amounted to 4,222,070 tons, an increase of 128,568 tons.

The number of tons carried one mile was 701,905,521, an increase of 75,713,771 ton miles, or 12.09 per cent.

The average distance carried was 166.25 miles, an increase of 13.28 miles.

The average revenue per ton was 106.14 cents, an increase of 11.93 cents.

The total freight train mileage was 692,718, an increase of 95,465 miles.

The average train load of revenue freight was 1,013.26 tons, a decrease of 35.19 tons.

The average number of tons of revenue freight in each loaded car was 38.44 tons, an increase of 3.15 tons.

In addition to the above tonnage, the company's freight amounted to 239,448 tons, an increase of 64,017 tons.

PASSENGER TRAFFIC

From passenger traffic, the revenue derived was four hundred forty-one thousand, seven hundred twenty-seven dollars and twenty-two cents ($441,727.22), an increase of one hundred nineteen thousand, six hundred eight dollars and fifteen cents ($119,608.15).

The number of passengers carried was 546,048, an increase of 27,003.

The number of passengers carried one mile was 16,794,878, an increase of 3,853,796, or 7.07 per cent.

The average distance traveled by each passenger was 30.76 miles, an increase of 6.23 miles.

The average revenue paid by each passenger was 80.89 cents, an increase of 18.83 cents.

Passenger train mileage was 296,804, a decrease of 7,329 miles.

EXPRESS REVENUE

Express revenue amounted to twenty-three thousand, seven hundred ninety-four dollars and fifteen cents ($23,794.15), a decrease of one thousand, six hundred forty-four dollars and one cent ($1,644.01), as compared with the previous year.

MAIL REVENUE

The revenue derived from carrying United States mail was twelve thousand seven hundred ninety-three dollars and eighty-one cents ($12,793.81), a decrease of eight thousand, three hundred twenty-two dollars and forty-one cents ($8,322.41), as compared with the previous year.

MISCELLANEOUS REVENUE

This consists of revenue derived from chartered trains, other passenger train revenue, switching revenue, station and train privileges, storage on freight and baggage, car service, telegraph service, rents of buildings and property, and miscellaneous, and amounts to sixty-two thousand, eight hundred ninety dollars and four cents ($62,890.04), an increase of two thousand, six hundred eighty-two dollars and eighty-five cents ($2,682.85), as compared with the previous year.

OPERATING EXPENSES

MAINTENANCE OF WAY

The expenditure for maintenance of way and structures amounted to six hundred eighty-four thousand, five hundred fifteen dollars and twelve cents ($684,515.12), or $2,352.20 per mile operated, as compared with $426,170.00, or $1,464.45 per mile operated, for the previous year, an increase of 60.62 per cent.

MAINTENANCE OF EQUIPMENT

The total expenses for maintenance of equipment during the year amounted to $1,171,404.91, an increase as compared with previous year of $535,925.17, or 84.33 per cent. The changes in equipment and the unit costs of maintenance are fully shown in the equipment list shown elsewhere.

TRAFFIC

The expenditures under this heading amounted to $110,363.13, a decrease, as compared with the previous year, of $117,616.88, or 51.59 per cent.

TRANSPORTATION

The total cost of transportation was $1,621,288.19, an increase as compared with the previous year of $634,917.93, or 64.37 per cent. The increase in the revenue ton-miles was 12.09 per cent. The ratio of transportation expenses to total operating revenues was 32.28 per cent., as compared with 23.01 per cent. last year, an increase of 9.27 per cent.

GENERAL

The expenditures for general administration were $163,390.46, a decrease, as compared with the previous year, of $15,632.69, or 8.73 per cent.

FINANCIAL

The Capital Stock of Carolina, Clinchfield and Ohio Railway remains unchanged. It consists of:

250,000 shares Common Stock, par value $100 each	$25,000,000
115,000 shares Preferred Stock, par value $100 each	11,500,000
Total	$36,500,000

Payments were made during the fiscal year, on account of principal of Equipment Trust Notes, as follows:

Series A	$260,000 00
Series B	100,000 00
Series C	100,000 00
Series D	50,000 00
Series E	26,000 00
Series F	76,000 00
Series G	336,950 00
Mallet Locomotive Equipment Notes	50,000 00
Total	$998,950 00

For the Board of Directors,

MARK W. POTTER,

President.

STATEMENTS AND STATISTICS

GENERAL INCOME ACCOUNT
CAROLINA, CLINCHFIELD AND OHIO RAILWAYS
FOR THE YEAR ENDED DECEMBER 31, 1918, AND COMPARISON WITH PREVIOUS YEAR

	1918 Federal Control	1918	1917 Corporation	Increase or Decrease
Operating Revenues				
Freight	$4,481,180 04		$3,856,509 47	$624,670 57
Passenger	441,727 22		322,119 07	119,608 15
Mail	12,793 81		21,116 22	8,322 41*
Express	23,794 15		25,438 16	1,644 01*
Miscellaneous	62,890 04		60,207 19	2,682 85
Total operating revenues		$5,022,385 26	$4,285,390 11	$736,995 15
Operating Expenses				
Maintenance of way and structures	$684,515 12		$426,170 00	$258,345 12
Maintenance of equipment	1,171,404 91		635,479 74	535,925 17
Traffic	110,363 13		227,980 01	117,616 88*
Transportation	1,621,288 19		986,370 26	634,917 93
General	163,390 46		179,023 15	15,632 69*
Transportation for investment....Cr.	2,931 94		4,713 52	1,781 58*
Total operating expenses		$3,748,029 87	$2,450,309 64	$1,297,720 23
Ratio of operating expenses to operating revenues		74.63%	57.18%	
Net Operating Revenues		$1,274,355 39	$1,835,080 47	$560,725 08*
Taxes		208,457 80	226,877 05	18,419 16
Operating Income		$1,065,897 50	$1,608,203 42	$542,305 92*
Miscellaneous Income				
†Miscellaneous income credit	$139,498 19			$139,498 19
‡Hire of equipment	100,795 10		$621,445 17	520,650 07*
Rental of leased rails			2,275 60	2,275 60*
Total miscellaneous income		$240,293 29	$623,720 77	$383,427 48*
		$1,306,190 79	$2,231,924 19	$925,733 40*
From which deduct:				
Interest on loans and accounts			$13,060 38	$13,060 38*
Rental of joint facilities and tracks	$10,635 95		43,070 17	32,434 22*
Uncollectible railway revenues	9 23		153 84	144 61*
		$10,645 18	$56,284 39	$45,639 21*
Total Income		$1,295,545 61	$2,175,639 80	$880,094 19*

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* Decrease.

† Transactions prior to January 1, 1918.

‡ This amount is the result of only a portion of the year, per diem charges having been discontinued by order of the Director General of Railroads. If continued, Hire of Equipment in 1918 would probably have equalled 1917.

Note: Data for 1918 furnished by United States Railroad Administration.

CAROLINA, CLINCHFIELD AND OHIO RAILWAY

CORPORATION INCOME ACCOUNT

Twelve months period, January 1, 1918, to December 31, 1918

INCOME		
Compensation from United States Railroad Administration.	$1,758,957 32	
Revenue prior to January 1, 1918	27,531 05	
Interest from funded securities	197,812 50	
Interest from unfunded securities	20,657 42	
Rental of leased rails	363 13	
Dividend income	9,000 00	
Total credit	....	$2,014,321 42
General expenses	$31,895 11	
Miscellaneous debits—taxes	13,196 16	
Miscellaneous debits—Expenses prior to January 1, 1918	86,547 47	
Total corporation expenses	....	131,638 74
Total income	....	$1,882,682 68
DEDUCTIONS FROM INCOME		
Interest on funded debt	$1,231,996 86	
Interest on unfunded debt	174,878 14	
Rental of leased lines	25,900 00	
Total deductions	....	1,432,775 00
Net income	....	$449,907 68

CAROLINA, CLINCHFIELD AND OHIO RAILWAY OF SOUTH CAROLINA

CORPORATION INCOME ACCOUNT

Twelve months period, January 1, 1918, to December 31, 1918

Compensation from United States Railroad Administration	....	$46,013 14
General expenses	$961 18	
Revenue prior to January 1, 1918 *Dr.*	2,735 18	
Expense prior to January 1, 1918	1,982 82	5,679 18
Total Income	....	40,333 96
DEDUCTIONS FROM INCOME		
Interest on funded debt	....	150,000 00
Net income—deficit	....	$109,666 04

GENERAL BALANCE SHEET,
CAROLINA, CLINCHFIELD

ASSETS

INVESTMENTS			
Investment in road and equipment			
Road		$42,823,778 63	
Construction of Elkhorn Extension		5,520,345 17	
Equipment		8,077,667 07	
			$56,421,790 87
Other Investments			
First Mortgage Bonds of C., C. & O. Ry. of S. C.		$3,000,000 00	
Miscellaneous		4,423,551 16	
			7,423,551 16
EQUIPMENT FUNDS ON DEPOSIT			
Equipment Series "G"		$1,092,950 00	
Equipment Series "F"		36,765 00	
Mallet Engines		37,222 48	
			1,166,937 48
CURRENT ASSETS			
Cash		$407,543 94	
Cash in bank	$33,935 61		
Deposit for principal and interest of obligations matured	373,608 33		
Liberty Loan deposit account		880 92	
Interest on Black Mountain Railway first mortgage bonds		5,625 00	
Interest accrued on bills receivable		6,863 61	
Miscellaneous accounts receivable		42,000 53	
United States Fourth Liberty Loan Bonds		500,000 00	
United States Railroad Administration accrued compensation		1,758,957 32	
			2,721,871 32
DEFERRED ASSETS			
Holston Corporation advances		$82,000 00	
Black Mountain Railway Company advances		32,393 82	
Erwin Electric Light and Power Company advances		26,787 77	
Working Fund advances		150 00	
Insurance paid in advance		1,535 69	
Value of rail leased to industries		38,043 01	
United States Railroad Administration unadjusted accounts		390,543 98	
			571,454 27
INTEREST ON BONDS OWNED			
Interest on First Mortgage Bonds of C., C. & O. Ry. of S. C.			1,212,500 00
UNADJUSTED DEBITS			
Freight items in suspense		$4,830 38	
Claims in suspense		23,298 52	
Road and equipment items in suspense		15,541 56	
Other deferred debit items		30,687 67	
			74,358 13
Total Assets			$69,592,463 23

CAROLINA, CLINCHFIELD AND OHIO

INVESTMENTS		
Investment in road and equipment		
Road		$3,103,982 02
CURRENT ASSETS		
United States Railroad Administration general account	$108,524 55	
United States Railroad Administration unadjusted accounts	934 16	
United States Railroad Administration accrued compensation	46,013 14	
		155,471 85
UNADJUSTED DEBITS		
Other unadjusted debits		3,147 13
CORPORATE DEFICIT		
Profit and loss—Balance		964,888 54
Total Assets		$4,227,489 54

DECEMBER 31, 1918
AND OHIO RAILWAY

LIABILITIES

STOCK			
Capital stock			
Common stock		$25,000,000 00	
Preferred stock	$13,500,000 00		
Less amount held in treasury	2,000,000 00		
		11,500,000 00	$36,500,000 00
LONG TERM DEBT			
Funded debt unmatured			
First Mortgage Five Per Cent. Gold Bonds	$14,150,000 00		
Less amount held in treasury	200,000 00		
		$13,950,000 00	
Elkhorn First Mortgage Five Per Cent. Gold Notes		6,000,000 00	
Ten-Year Five Per Cent. Gold Notes		2,000,000 00	
L. C. & L. E. R. R. Co. First Mortgage Bonds	$200,000 00		
Less amount held in treasury	5,000 00		
		195,000 00	
Black Mountain Railway Company Bond Purchase Notes		450,000 00	22,595,000 00
EQUIPMENT TRUSTS			
Equipment Gold Notes, Series B		$150,000 00	
Equipment Gold Notes, Series C		400,000 00	
Equipment Gold Notes, Series D		75,000 00	
Equipment Gold Notes, Series E		156,000 00	
Equipment Gold Notes, Series F		608,000 00	
Equipment Gold Notes, Series G		714,000 00	2,103,000 00
CURRENT LIABILITIES			
Funded debt matured unpaid		$63,000 00	
Loans and bills payable		4,324,000 00	
Audited accounts and wages payable		253,238 26	
Miscellaneous accounts payable		3,973 49	
Interest matured unpaid		135,650 00	
Unmatured interest accrued		210,008 52	
United States Railroad Administration general account		73,237 77	5,063,108 04
UNADJUSTED CREDITS			
Accrued depreciation—Equipment		$593,253 86	
Other unadjusted credits		22,294 55	615,548 41
CORPORATE SURPLUS			
Additions to property through income and surplus		$19,645 30	
Profit and loss—Balance		2,696,161 48	2,715,806 78
Total Liabilities			$69,592,463 23

RAILWAY OF SOUTH CAROLINA

STOCK		
Capital stock		
Common stock		$12,000 00
LONG TERM DEBT		
First Mortgage Bonds		3,000,000 00
CURRENT LIABILITIES		
Audited accounts and wages unpaid	$1,012 08	
Interest unpaid on First Mortgage Bonds	1,212,500 00	1,213,512 08
UNADJUSTED CREDITS		
Tax liabilities	$651 80	
Sale of unclaimed freight	183 54	
Other unadjusted credits	1,142 12	1,977 46
Total Liabilities		$4,227,489 54

CAROLINA, CLINCHFIELD AND OHIO RAILWAY
CORPORATION PROFIT AND LOSS ACCOUNT

Period from January 1, 1918, to December 31, 1918

CREDITS		
Balance, December 31, 1917	$2,261,912 87	
Credit balance from income account	449,907 68	
		$2,711,820 55
DEBITS		
Flood damage (1916) repairs	....	15,659 07
Profit and loss credit balance December 31, 1918	....	$2,696,161 48

CAROLINA, CLINCHFIELD AND OHIO RAILWAY OF SOUTH CAROLINA
CORPORATION PROFIT AND LOSS ACCOUNT

DEBITS		
Debit balance, January 1, 1918	$855,222 50	
Debit balance from income account	100,666 04	
Profit and loss debit balance, December 31, 1918	....	$964,888 54

STATEMENT OF FUNDED DEBT AND EQUIPMENT NOTES, DECEMBER 31, 1918

Liens Created by	Character of Lien	Amount Outstanding	Date of Maturity	Rate Per Annum	Date Payable	Interest Accrued During Year
Carolina, Clinchfield and Ohio Ry.	First Mortgage Coupon Bonds Convertible to Registered ......(1)	$13,950,000	June 1, 1938	5%	June and Dec.	$697,500 00
Carolina, Clinchfield and Ohio Ry.	Ten Year Coupon Notes.	2,000,000	July 1, 1919	5%	Jan. and July	100,000 00
Carolina, Clinchfield and Ohio Ry.	Elkhorn Extension First Mortgage Gold Notes..	6,000,000	Jan. 1, 1920	5%	Feb. and Aug.	300,000 00
Lick Creek & Lake Erie R. R. Co.	First Mortgage Coupon Bonds ....(2)	200,000	Jan. 1, 1933	5%	Jan. and July	9,750 00
Carolina, Clinchfield and Ohio Ry.	Equipment Trust Notes Series A............	....	Final Payment Dec. 1 1918	5%	June and Dec.	8,666 67
Carolina, Clinchfield and Ohio Ry.	Equipment Trust Notes Series B............	150,000	$50,000 matures Jan. 15th and July 15th	5%	Jan. and July	8,958 34
Carolina, Clinchfield and Ohio Ry.	Equipment Trust Notes Series C............	400,000	$50,000 matures Feb. 1st and Aug. 1st	5%	Feb. and Aug.	21,666 66
Carolina, Clinchfield and Ohio Ry.	Equipment Trust Notes Series D.........(4)	100,000	$25,000 matures Jan. 1st and July 1st	5%	Jan. and July	5,625 00
Carolina, Clinchfield and Ohio Ry.	Equipment Trust Notes Series E............	156,000	$13,000 matures April 1st and Oct. 1st	5%	April and Oct.	8,450 00
Carolina, Clinchfield and Ohio Ry.	Equipment Trust Notes Series F.........(4)	646,000	$38,000 matures Jan. 1st and July 1st	5%	Jan. and July	33,250 00
Carolina, Clinchfield and Ohio Ry.	Equipment Trust Notes Series G............	714,000	$42,000 matures April 1st and Oct. 1st	5%	April and Oct.	37,800 00
Carolina, Clinchfield and Ohio Ry.	Mallet Locomotive Equipment Notes	....	Final Payment April 1, 1918	5%	....	330 19
	Total..........	$24,316,000	....	.....	....	$1,231,996 86

CAROLINA, CLINCHFIELD AND OHIO RAILWAY OF SOUTH CAROLINA

Carolina, Clinchfield and Ohio Ry. of South Carolina.....	First Mortgage Coupon Bonds	$3,000,000	June 1, 1938	5%	June and Dec.	$150,000 (3)

1920

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(1) Does not include $200,000 held in treasury.
(2) Includes $5,000 owned by C. C. & O. Ry.
(3) Accrues to C. C. & O. Ry.
(4) Installment of principal due January 1, 1919, shown in Balance Sheet as "Funded Debt Matured Unpaid."

DESCRIPTION OF FUNDED DEBT AND EQUIPMENT NOTES

First Mortgage Five Per Cent. Gold Bonds:

Dated June 1, 1908, due June 1, 1938, secured by first mortgage on the line of railway and other property from Dante, Virginia, to North Carolina-South Carolina state line, 223.47 miles (subject to mortgage for $200,000.00 on line from Dante, Virginia, to Fink, Virginia, 7.5 miles), by equipment, and by $3,000,000.00 (principal amount) of First Mortgage Bonds of Carolina, Clinchfield and Ohio Railway of South Carolina. Amount authorized $15,000,000.00, outstanding $13,950,000.00. Trustee: The Farmers' Loan and Trust Company, New York, N. Y. Interest payable June 1st and December 1st at office of the Company, 24 Broad Street, New York, N. Y. Mortgage contains "tax free" clause.

Ten-Year Five Per Cent. Coupon Notes:

Dated July 1, 1909, due July 1, 1919, secured by mortgage on the line of railway and other property from Dante, Virginia, to North Carolina-South Carolina state line, 223.47 miles, by equipment and by $3,000,000.00 (principal amount) of First Mortgage Bonds of Carolina, Clinchfield and Ohio Railway of South Carolina (subject to mortgage for $15,000,000.00, Dante, Virginia, to North Carolina-South Carolina state line and to mortgage for $200,000.00, Dante to Fink, Virginia). Amount authorized and issued $5,000,000.00, $3,000,000.00 being retired September 1, 1912, the remaining $2,000,000.00 has the privilege of conversion into preferred stock of Carolina, Clinchfield and Ohio Railway at par. Trustee: The Equitable Trust Company, New York, N. Y. Interest payable January 1st and July 1st at office of the Company, 24 Broad Street, New York, N. Y. Mortgage contains "tax free" clause.

Elkhorn Extension First Mortgage Five Per Cent. Gold Notes:

Dated February 1, 1917, due January 1, 1920, secured by first mortgage on the line of railway and other property from Virginia-Kentucky state line to Dante, Virginia, 32 miles, and by $500,000.00 (principal amount) of First Mortgage Five Per Cent. Gold Notes of Clinchfield Northern Railway of Kentucky. Amount authorized and outstanding $6,000,000.00. Trustee: The New York Trust Company, New York, N. Y. Interest payable February 1st and August 1st at office of the Company, 24 Broad Street, New York, N. Y. Mortgage does not contain "tax free" clause.

Lick Creek and Lake Erie Railroad First Mortgage Five Per Cent. Gold Bonds:

Dated December 23, 1902, due January 1, 1933, secured by first mortgage on the line from Dante, Virginia, to Fink, Virginia, 7.5 miles. Amount authorized and outstanding $200,000.00. Trustee: Washington Loan and Trust Company, Washington, D. C. Interest payable January 1st and July 1st at Washington Loan and Trust Company, Washington, D. C. Mortgage contains "tax free" clause.

DESCRIPTION OF FUNDED DEBT AND EQUIPMENT NOTES—*Continued*

EQUIPMENT NOTES, SERIES "B":

Equipment covered:

750 fifty-ton steel hopper cars.
4 Mogul Mallet locomotives.
20 sixteen-yard dump cars.
250 fifty-ton steel gondola cars.
12 steel-underframe passenger coaches.

Cost of Equipment $1,375,285.00. Original issue of notes dated January 15, 1910, $1,000.000.00. $50,000.00 matures semi-annually on January 15th and July 15th. Final payment matures January 15, 1920. Notes paid $850,000.00. Amount outstanding December 31, 1918, $150,000.00. Trustee: Union Trust Company of New York, N. Y. Interest payable January 15th and July 15th at office of the Company, 24 Broad Street, New York, N. Y. Notes contain "tax free" clause.

EQUIPMENT NOTES, SERIES "C":

Equipment covered:

1,000 fifty-ton steel hopper cars.
6 Mogul Mallet locomotives.
3 Pacific type passenger locomotives.

Cost of Equipment $1,385,761.59. Original issue of notes dated August 1, 1912, $1,000,000.00. $50,000.00 matures semi-annually February 1st and August 1st. Final payment matures August 1, 1922. Notes paid $600,000.00. Amount outstanding December 31, 1918, $400,000.00. Trustee: The New York Trust Company, New York, N. Y. Interest payable February 1st and August 1st at office of the Company, 24 Broad Street, New York, N. Y. Notes contain "tax free" clause.

EQUIPMENT NOTES, SERIES "D":

Equipment covered:

475 thirty-ton steel-underframe box cars.
25 thirty-ton steel-underframe stock cars.

Cost of Equipment $431,646.25. Original issue of notes dated July 1, 1913, $350,000.00. $25,000.00 matures semi-annually January 1st and July 1st. Final payment matures July 1, 1920. Notes paid $250,000.00. Amount outstanding December 31, 1918, $100,000.00. Trustee: The New York Trust Company, New York, N. Y. Interest payable January 1st and July 1st at office of the Company, 24 Broad Street, New York, N. Y. Notes contain "tax free" clause.

EQUIPMENT NOTES, SERIES "E":

Equipment covered:

300 thirty-ton steel-underframe stock cars.
2 Pacific type passenger locomotives.
1 ninety-ton Shay locomotive.

Cost of Equipment $309,604.00. Original issue of notes dated October 1, 1914, $260,000.00. $13,000.00 matures semi-annually, April 1st and October 1st. Final payment matures October 1, 1924. Notes paid $104,000.00. Amount outstanding December 31, 1918, $156,000.00. Trustee: The New York Trust Company, New York, N. Y. Interest payable April 1st and October 1st at office of the Company, 24 Broad Street, New York, N. Y. Notes do not contain "tax free" clause.

EQUIPMENT NOTES, SERIES "F":

Equipment covered:

500 fifty-ton all steel hopper cars.
5 steel-underframe caboose cars.

Cost of Equipment $903,113.75. Original issue of notes dated January 1, 1917, $760,000.00. $38,000.00 matures semi-annually January 1st and July 1st. Final payment matures January 1, 1927. Notes paid $114,000.00. Amount outstanding December 31, 1918, $646,000.00. Trustee: The New York Trust Company, New York, N. Y. Interest payable January 1st and July 1st at the office of Blair & Co., 24 Broad Street, New York, N. Y. Notes contain "tax free" clause.

DESCRIPTION OF FUNDED DEBT AND EQUIPMENT NOTES—*Continued*

EQUIPMENT NOTES, SERIES "G":

Equipment covered:

7 Mallet type locomotives.
9 Mikado type locomotives.

Cost of Equipment $1,092,950.00. Original issue of notes dated April 2, 1917, $840,000.00. $42,000.00 matures semi-annually April 1st and October 1st. Final payment matures April 1, 1927. Notes paid $42,000.00. Amount outstanding December 31, 1918, $714,000.00. Trustee: Commercial Trust Company, Philadelphia, Pa. Interest payable April 1st and October 1st at the office of Commercial Trust Company, Philadelphia, Pa. Notes do not contain "tax free" clause.

STATEMENT OF SECURITIES OWNED, DECEMBER 31, 1918

	Bonds	Each	Par Value	Total
Bonds				
Carolina, Clinchfield and Ohio Railway of South Carolina	3,000	$1,000 00	$3,000,000 00	
Clinchfield Northern Railway of Kentucky	500	1,000 00	500,000 00	
Lick Creek and Lake Erie Railroad....	5	1,000 00	5,000 00	
Black Mountain Railway Company....	450	1,000 00	450,000 00	
Black Mountain Railway Company First Income Debentures	50	1,000 00	50,000 00	
Black Mountain Railway Company Second Income Debentures.......	250	1,000 00	250,000 00	
				$4,255,000 00
Stock	Shares			
Southport Harbor Co.	20,000	100 00	$2,000,000 00	
Holston Corporation	7,500	100 00	750,000 00	
Spartanburg Land Co.	7,500	100 00	750,000 00	
South & Western Ry. Co. Consolidated..	1,000	100 00	100,000 00	
South & Western Ry. Co. of N. C......	1,000	100 00	100,000 00	
Lick Creek & Lake Erie Railroad......	1,000	100 00	100,000 00	
South & Western R. R. Co. (N. C.)...	290	100 00	29,000 00	
Elkhorn Southern Ry.	50	100 00	5,000 00	
Carolina, Clinchfield and Ohio Railway of Kentucky	50	100 00	5,000 00	
Clinchfield Northern Ry.	50	100 00	5,000 00	
Clinchfield Northern Ry. of Kentucky..	50	100 00	5,000 00	
South & Western R. R.	10	100 00	1,000 00	
				$3,850,000 00
Total par value	....	....		$8,105,000 00
Book value	....	....		7,423,551 16

STATEMENT OF MILEAGE OF TRACK OPERATED FOR YEAR ENDED DECEMBER 31, 1918, COMPARED WITH SAME PERIOD PREVIOUS YEAR,

As Measured for Valuation of Railway

		Dec. 31, 1918	Dec. 31, 1917	Increase	Decrease
OWNED					
Main Line					
In Virginia: Kiser to Laurel Junction	5.71				
Ky-Va. State Line to Dante	31.89				
Dante to Va-Tenn. State Line	51.88				
		89.48	89.48		
In Tennessee: Va-Tenn. State Line to Johnson City, Tenn.	33.35				
Johnson City, Tenn. to Tenn.-N. C. State Line	21.61				
		54.96	54.96		
In North Carolina: North Carolina-Tennessee State Line to North Carolina-South Carolina State Line		116.61	116.61		
In South Carolina: C., C. & O. of S. C. North Carolina-South Carolina State Line to Spartanburg		18.09	18.09		
		279.14	279.14		
Branches and Spurs					
In Virginia: Hurricane Junction to end of track	1.52*				
Laurel Junction to Tipple	3.39*				
Dante to Tipple No. 2	0.78*				
Dante to foot of switchback	1.27*				
		6.96*	6.96		
In Tennessee: Carnegie Spur		2.32	2.32		
In North Carolina: Bostic Yard to Bostic		0.79	0.79		
		10.07	10.07		
LEASED					
Main Line					
In Kentucky: Clinchfield Northern Railway of Kentucky		2.79	2.79		
In Tennessee: E. T. & W. N. C. R. R. in Johnson City		0.63	0.63		
		3.42	3.42		
TRACKS USED JOINTLY					
In Virginia: N. & W. Ry. Kiser to St. Paul		8.45	8.45		
Grand Total		301.08	301.08		
Total mileage operated (a)		291.01	291.01		
Average mileage operated (a)		291.01	291.01		
First track, owned, operated and leased		292.63	292.63		
First track used jointly		8.45	8.45		
Sidings, owned		123.32†	121.63	1.69	
Sidings, leased		5.35	5.14	0.21	
Sidings operated by Railway but owned by industries		2.41		2.41	
Total All Tracks		432.16	427.85	4.31	

* Rails and fastenings owned by C., C. & O. Ry., roadbed and ties owned by other parties.

† On 8.66 miles of this, ties and roadbed owned by other parties, rail and fastenings by C., C. & O. Ry.

(a) Exclusive of spur lines on which no regular trains are run.

DETAILS OF OPERATING EXPENSES FOR YEAR ENDED DECEMBER 31, 1918, COMPARED WITH SAME PERIOD PREVIOUS YEAR

Accounts	Expenses for 1918	Expenses for 1917
Maintenance of way and structures	$684,515.12	$426,170.00
Maintenance of equipment	1,171,404.91	635,479.74
Traffic	110,363.13	227,980.01
Transportation	1,621,288.19	986,370.26
General	163,390.46	179,023.15
Transportation for investment *Cr.*	*2,931.94*	*4,713.52*
Total	$3,748,029.87	$2,450,309.64
Maintenance of Way and Structures		
Superintendence	$22,547.90	$16,804.73
Roadway maintenance	108,747.25	71,401.32
Tunnels and subways	3,201.99	2,129.93
Bridges, trestles and culverts	68,928.63	38,972.34
Ties	103,807.35	75,673.41
Rails	19,537.77	14,935.51
Other track material	20,108.98	16,744.66
Ballast	11,910.84	12,902.10
Track laying and surfacing	234,645.60	121,488.42
Right-of-way fences	100.76	198.20
Crossings and signs	8,281.30	6,899.88
Station and office buildings	7,354.10	9,338.70
Roadway buildings	19,544.61	11,492.16
Water and fuel stations	13,416.13	9,296.15
Telegraph and telephone lines	21,832.47	4,520.29
Signals and interlockers	1,613.99	611.16
Small tools and supplies	9,261.74	7,426.77
Removing snow, ice and sand	2,065.57	659.64
Injuries to persons	5,269.70	1,010.57
Insurance	549.37	1,015.32
Stationery and printing	340.61	351.69
Other expenses	67.63	1.50
Maintaining joint tracks, yards and other facilities *Dr.*	3,278.52	3,347.44
Maintaining joint tracks, yards and other facilities *Cr.*	*1,897.69*	*1,051.89*
Total Maintenance of Way and Structures	$684,515.12	$426,170.00
Maintenance of Equipment		
Superintendence	31,337.93	23,825.86
Shop machinery	31,669.65	16,869.44
Steam locomotives—repairs	584,892.20	271,568.48
Steam locomotives—depreciation	15,121.57	15,590.40
Steam locomotives—retirements	....	3,362.31
Freight-train cars—repairs	367,929.78	181,315.67
Freight-train cars—depreciation	69,338.60	65,846.00
Freight-train cars—retirement	2,608.06	12,557.13
Passenger-train cars—repairs	27,692.91	16,906.14
Passenger-train cars—depreciation	5,711.40	5,753.94
Passenger-train cars—retirement	....	394.25
Motor equipment of cars—repairs	83.17	639.89
Work equipment—repairs	27,104.24	9,888.07
Work equipment—depreciation	2,880.82	2,700.54
Work equipment—retirements	1,492.75	
Injuries to persons	1,516.67	5,633.29
Insurance	1,089.52	1,743.11
Stationery and printing	918.05	823.05
Other expenses	17.59	62.17
Total Maintenance of Equipment	$1,171,404.91	$635,479.74

NOTE: Data for 1918 furnished by United States Railroad Administration.

DETAILS OF OPERATING EXPENSES FOR YEAR ENDED DECEMBER 31, 1918, COMPARED WITH SAME PERIOD PREVIOUS YEAR—*Continued*

ACCOUNTS	EXPENSES FOR 1918	EXPENSES FOR 1917
TRAFFIC		
Superintendence	$41,933 25	$50,176 84
Outside agencies	44,018 57	132,561 78
Advertising	1,991 21	7,483 49
Traffic associations	1,138 57	701 17
Fast freight lines	2,441 04	5,732 65
Industrial and immigration bureaus	9,513 18	18,635 38
Insurance	12 02	22 98
Stationery and printing	9,288 82	12,656 94
Other expenses	26 47	8 78
Total Traffic	$110,363 13	$227,980 01
TRANSPORTATION		
Superintendence	$45,431 17	$36,401 28
Dispatching trains	20,353 28	10,598 28
Station employees	104,211 83	68,580 65
Weighing, inspection and demurrage bureaus	1,259 97	1,646 64
Station supplies and expenses	7,231 55	5,438 07
Yardmasters and yard clerks	16,997 19	8,223 39
Yard conductors and brakemen	41,088 13	30,171 26
Yard switch and signal tenders	1,253 55	614 81
Yard enginemen	23,037 54	19,928 97
Fuel for yard locomotives	44,603 18	23,137 36
Water for yard locomotives	1,733 58	924 72
Lubricants for yard locomotives	477 22	1,091 92
Other supplies for yard locomotives	1,653 27	950 83
Enginehouse expenses—yard	17,017 87	5,640 19
Yard supplies and expenses	180 56	242 67
Operating joint yard and terminals ... *Dr.*	38,693 29	21,011 05
Operating joint yard and terminals ... *Cr.*	*2,392 63*	*856 20*
Train enginemen	276,973 70	193,556 85
Fuel for train locomotives	462.288 27	253,091 50
Water for train locomotives	15,336 45	9,616 48
Lubricants for train locomotives	8,578 29	5,576 76
Other supplies for train locomotives	14,063 10	9,864 24
Enginehouse expenses—train	79,901 18	30,710 43
Trainmen	224,796 73	140,219 76
Train supplies and expenses	35,730 66	22,731 45
Signal and interlocker operation	477 91	205 23
Crossing protection	1,531 39	810 33
Telegraph and telephone operation	968 35	830 53
Stationery and printing	11,101 25	12,817 64
Other expenses	782 03	570 36
Operating joint tracks and facilities ... *Dr.*	1,164 19	1,139 31
Operating joint tracks and facilities ... *Cr.*	*522 93*	*372 48*
Insurance	494 37	747 44
Clearing wrecks	36,838 62	14,075 24
Damage to property	5,504 20	7,359 60
Damage to live stock on right-of-way	10,513 69	8,405 81
Loss and damage—freight	31,308 32	18,314 18
Loss and damage—baggage	265 70	185 97
Injuries to persons	40,362 17	22,167 74
Total Transportation	$1,621,288 19	$986,370 26

NOTE: Data for 1918 furnished by United States Railroad Administration.

DETAILS OF OPERATING EXPENSES FOR YEAR ENDED DECEMBER 31, 1918, COMPARED WITH SAME PERIOD PREVIOUS YEAR—*Continued*

Accounts	Expenses for 1918	Expenses for 1917
General		
Salaries and expenses of general office	$28,866 79	$40,581 32
Salaries and expenses of clerks and attendants	77,521 55	56,089 82
General office supplies and expenses	9,042 13	13,652 25
Law expenses	31,447 04	40,011 95
Insurance	282 00	364 22
Stationery and printing	10,737 28	13,055 37
Valuation expenses	1,869 30	8,339 40
Other expenses	3,624 37	6,928 82
Total General	$163,390 46	$179,023 15

NOTE: Data for 1918 furnished by United States Railroad Administration.

MONTHLY OPERATING REVENUES AND EXPENSES FOR THE YEAR ENDED DECEM

	OPERATING REVENUES					
	COAL FREIGHT	MERCHANDISE FREIGHT	PASSENGER	MAIL AND EXPRESS	MISCELLANEOUS	TOTAL
January	$189,264 36	$94,213 85	$28,724 44	$2,676 39	$3,029 21	$317,908 25
February	243,699 47	87,930 82	29,783 99	2,789 88	2,466 36	366,670 52
March	217,419 72	120,017 66	38,467 29	2,805 67	2,242 99	380,953 33
April	199,892 17	124,090 93	30,205 55	3,067 70	4,003 68	361,260 03
May	208,692 61	107,699 67	47,674 35	2,359 07	4,939 21	371,364 91
June	202,115 58	102,769 66	42,614 10	2,353 30	4,757 63	354,610 27
July	262,773 96	138,407 66	51,252 91	3,080 89	4,122 96	459,638 38
August	287,893 86	143,744 04	45,641 31	3,310 16	4,460 62	485,049 99
September	291,772 17	171,118 43	35,831 76	4,402 46	3,518 10	506,642 92
October	264,131 17	126,621 03	25,669 95	3,449 27	3,913 73	423,785 15
November	270,150 08	165,320 99	28,586 03	3,023 47	5,363 06	472,443 63
December	334,419 50	127,020 65	37,275 54	3,269 70	20,072 49	522,057 88
Total year ended December 31. 1918	$2,972,224 65	$1,508,955 39	$441,727 22	$36,587 96	$62,890 04	$5,022,385 26
Total year ended December 31. 1917	2,217,197 91	1,639,311 56	322,119 07	46,554 38	60,207 19	4,285,390 11
Increase	$755,026 74	$130,356 17*	$119,608 15	$9,966 42*	$2,682 85	$736,995 15
Increase per cent.	34.05	7.95*	37.13	21.41*	4.46	17.20

* Decrease

NOTE: Data for 1918 furnished by United States Railroad Administration.

BER 31, 1918, COMPARED WITH TOTALS FOR THE YEAR ENDED DECEMBER 31, 1917

OPERATING EXPENSES						Net Operating Revenue
Maintenance of Way and Structures	Maintenance of Equipment	Traffic	Transportation	General	Total	
$25,780 50	$57,239 81	$16,822 51	$104,860 38	$15,348 28	$219,993 28	$97,914 97
45,423 28	69,645 03	16,272 82	105,060 43	13,365 60	249,409 67	117,260 85
52,279 32	67,072 67	15,336 32	111,906 31	16,855 28	262,849 80	118,103 53
43,253 84	71,015 24	12,536 22	105,030 24	12,706 56	244,533 17	116,726 86
47,497 57	80,340 89	9,031 09	108,907 41	12,443 61	258,003 06	113,361 85
61,165 61	115,122 73	11,865 40	195,005 12	19,038 19	401,910 47	47,300 20*
54,518 99	131,700 53	5,750 67	141,416 25	18,968 15	352,111 65	107,526 73
64,956 90	111,246 51	4,465 58	149,526 91	3,732 80	333,721 72	151,328 27
74,789 99	114,456 05	4,440 32	132,163 94	12,708 75	338,239 36	168,403 56
68,216 53	134,094 80	4,570 35	143,040 21	12,372 55	361,920 00	61,865 15
66,517 50	111,902 22	4,292 19	154,300 13	12,504 40	349,293 08	123,150 55
80,115 09	107,568 43	4,979 66	170,070 86	13,346 29	376,044 61	146,013 27
$684,515 12	$1,171,404 91	$110,363 13	$1,621,288 19	$163,390 46	$3,748,029 87	$1,274,355 39
426,170 00	635,479 74	227,980 01	986,370 26	179,023 15	2,450,309 64	1,835,080 47
$258,345 12	$535,925 17	$117,616 88*	$634,917 93	$15,632 69*	$1,297,720 23	560,725 08*
60.62	84.33	51.59*	64.37	8.73*	52.96	30.56*

* Decrease

NOTE: Data for 1918 furnished by United States Railroad Administration.

SUMMARY OF OPERATING REVENUES FOR NINE YEARS, 1910 TO 1918, INCLUSIVE

Years Ended Dec. 31	Coal Freight	Merchandise Freight	Passenger	Mail and Express	Miscellaneous	Total Operating Revenues
1910	$918,696 79	$359,517 25	$163,408 95	$19,267 75	$28,165 92	$1,489,056 66
1911	1,378,134 46	502,952 02	167,833 39	21,274 72	30,720 69	2,100,915 28
1912	1,585,709 43	697,729 02	182,114 18	23,446 87	26,650 68	2,515,650 18
1913	1,693,458 73	831,590 94	224,116 65	25,876 29	30,279 48	2,805,322 09
1914	1,364,330 28	736,467 14	203,674 34	26,185 44	27,963 90	2,358,621 10
1915	1,483,576 22	784,469 98	194,156 77	27,015 53	25,852 97	2,515,071 47
1916	1,783,739 31	1,147,916 54	253,984 64	37,721 13	53,125 18	3,276,486 80
1917	2,217,197 91	1,639,311 56	322,119 07	46,554 38	60,207 19	4,285,390 11
1918†	2,972,224 65	1,508,955 39	441,727 22	36,587 96	62,890 04	5,022,385 26

THE RATIO OF EACH CLASS OF OPERATING REVENUES TO TOTAL OPERATING REVENUES IS AS FOLLOWS:

	1910	1911	1912	1913	1914	1915	1916	1917	1918
Coal freight	61.70	65.60	63.03	60.37	57.84	58.99	54.44	51.74	59.18
Merchandise freight	24.14	23.94	27.74	29.64	31.22	31.19	35.04	38.25	30.04
Passenger	10.97	7.99	7.24	7.99	8.64	7.72	7.75	7.52	8.80
Mail and express	1.29	1.01	.93	.92	1.11	1.07	1.15	1.09	.73
Miscellaneous	1.90	1.46	1.06	1.08	1.19	1.03	1.62	1.40	1.25

SUMMARY OF OPERATING EXPENSES FOR NINE YEARS, 1910 TO 1918, INCLUSIVE

Years Ended Dec. 31	Maintenance of Way and Structures	Maintenance of Equipment	Traffic	Transportation	General	Total Operating Expenses
1910	$151,482 45	$218,422 55	$74,207 09	$342,520 57	$126,594 76	$913,227 42
1911	156,617 05	259,333 25	80,617 89	444,701 73	103,638 25	1,044,908 17
1912	185,163 56	248,078 87	92,815 25	456,805 96	92,645 79	1,075,509 43
1913	194,336 85	301,330 35	100,791 56	504,821 64	122,785 30	1,224,065 70
1914	193,737 79	307,660 85	102,684 57	469,693 87	126,508 77	1,193,184 66
1915	286,889 88	303,089 63	113,005 25	467,422 55	126,668 51	1,284,731 30
1916	289,720 14	447,317 87	221,016 76	647,025 38	147,772 64	1,742,278 48
1917	426,170 00	635,479 74	227,980 01	986,370 26	179,023 15	2,450,309 64
1918†	684,515 12	1,171,404 91	110,363 13	1,621,288 19	163,390 46	3,748,029 87

THE RATIO OF EACH CLASS OF OPERATING EXPENSES TO TOTAL OPERATING REVENUES IS AS FOLLOWS:

	1910	1911	1912	1913	1914	1915	1916	1917	1918
Maintenance of way and structures	10.17	7.46	7.36	6.93	8.22	11.41	8.84	9.95	13.63
Maintenance of equipment	14.68	12.34	9.86	10.74	13.04	12.05	13.65	14.83	23.32
Traffic	4.98	3.84	3.69	3.59	4.35	4.49	6.75	5.32	2.20
Transportation	23.00	21.17	18.16	18.00	19.92	18.58	19.75	23.01	32.28
General	8.50	4.93	3.68	4.37	5.36	5.04	4.51	4.18	3.25
Total	61.33	49.74	42.75	43.63	50.59	51.08	53.18	57.18	74.63

SUMMARY OF INCOME ACCOUNT FOR NINE YEARS, 1910 TO 1918, INCLUSIVE

Years Ended Dec. 31	Net Operating Revenues	Non-Operating Revenues	Gross Income	Taxes	Fixed Charges	Surplus Carried to Profit and Loss
1910	$575,829 24	$230,624 13	$806,453 37	$62,345 39	$1,029,062 95	$284,954 97*
1911	1,056,007 11	24,433 32	1,080,440 43	81,308 28	1,022,483 83	23,351 68*
1912	1,440,140 75	151,482 98	1,591,623 73	88,637 28	974,178 72	528,807 73
1913	1,581,256 39	338,360 40	1,919,616 79	115,978 42	926,052 00	877,586 37
1914	1,165,436 44	247,326 15	1,412,762 59	161,322 25	934,083 36	317,356 98
1915	1,230,340 17	222,166 46	1,452,506 63	164,266 95	1,058,002 77	209,885 52
1916	1,534,208 32	398,684 06	1,932,892 38	155,280 39	1,189,893 39	587,718 60
1917	1,835,080 47	567,436 38	2,402,516 85	226,877 05	1,275,845 52	899,794 28
1918†	1,274,355 39	229,648 11	1,503,695 64	208,457 89		1,295,545 61

* Deficit

† United States Railroad Administration.

CLASSIFICATION OF FREIGHT CARRIED DURING YEAR ENDED DECEMBER 31, 1918, COMPARED WITH SAME PERIOD PREVIOUS YEAR

(Net Tons)

	Year Ended Dec. 31, 1918	Year Ended Dec. 31, 1917	Increase	Decrease
Products of Agriculture				
Grain	27,036	41,160		14,124
Flour	28,625	30,213		1,588
Other mill products	19,214	23,613		4,399
Hay	44,674	50,508		5,834
Cotton	2,008	1,799	209	
Fruits and vegetables	8,508	9,292		784
Other products of agriculture	10,283	7,527	2,756	
Products of Animals				
Live stock	1,908	2,096		188
Dressed meats	1,303	2,485		1,182
Other packing house products	3,464	8,402		4,938
Poultry, game and fish	544	617		73
Hides and leather	9,118	6,324	2,794	
Other products of animals	14,428	11,722	2,706	
Products of Mines				
Bituminous coal	2,966,917	2,547,222	419,695	
Ores	15,461	34,203		18,742
Stone, sand and other like articles	254,708	334,228		79,520
Other products of mines	24,117	27,273		3,156
Products of Forests				
Lumber	205,349	250,666		45,317
Other products of forests	129,146	183,965		54,819
Manufactures				
Petroleum and other oils	7,423	12,304		4,881
Sugar	1,229	1,406		177
Iron-pig and bloom	20,485	23,378		2,893
Iron and steel rails	11,982	9,656	2,326	
Other castings and machinery	15,861	17,192		1,331
Bar and sheet metal	5,089	2,084	3,005	
Cement	145,068	155,576		10,508
Brick and lime	64,814	81,347		16,533
Agricultural implements	1,410	2,596		1,186
Wagons, carriages, tools, etc.	15,875	22,141		6,266
Wines, liquors and beers	71	123		52
Household goods and furniture	6,365	5,914	451	
Other manufactures	61,052	81,970		20,918
Merchandise	68,620	63,843	4,777	
Miscellaneous	29,915	40,657		10,742
Recapitulation				
Products of agriculture	140,348	164,112		23,764
Products of animals	30,765	31,646		881
Products of mines	3,261,203	2,942,926	318,277	
Products of forests	334,495	434,631		100,136
Manufactures	356,724	415,687		58,963
Merchandise	68,620	63,843	4,777	
Miscellaneous	29,915	40,657		10,742
Total revenue tonnage	4,222,070	4,093,502	128,568	
Net increase			128,568	

Note: Data for 1918 furnished by United States Railroad Administration.

TRAFFIC STATISTICS FOR YEAR ENDED DECEMBER 31, 1918, COMPARED WITH SAME PERIOD PREVIOUS YEAR

	Year Ended Dec. 31. 1918	Year Ended Dec. 31, 1917	Increase	Decrease
Average Miles of Road Operated	291.01	291.01		
Passenger Traffic				
Number of passengers	546,048	519,045	27,003	
Number of passengers carried one mile	16,794,878	12,941,082	3,853,796	
Number of passengers carried one mile per mile of road	57,712	44,470	13,242	
Average distance each passenger traveled (miles)	30.76	24.93	6.23	
Total revenue from passengers	$441,727.22	$322,119.07	$19,608.15	
Average amount received from each passenger (cents)	80.89	62.06	18.83	
Average receipts per passenger per mile (cents)	2.63	2.49	.14	
Total passenger train revenue	$480,777.46	$371,704.51	$109,072.95	
Passenger train revenue per mile of road	1,652.10	1,277.29	374.81	
Passenger train revenue per train mile (cents)	166.26	122.22	44.04	
Average number of passengers per passenger train mile	53	44	9	
Average number of passengers per passenger car mile	19	19		
Freight Traffic				
Revenue Coal Traffic				
Tons of coal carried	2,966,917	2,547,222	419,695	
Tons of coal carried one mile	556,901,016	477,133,155	79,767,861	
Tons of coal carried one mile per mile of road	1,913,683	1,639,576	274,107	
Average distance hauled per ton (miles)	187.70	187.32	.38	
Total coal freight revenue	$2,972,224.65	$2,217,197.91	$755,026.74	
Average amount received for each ton (cents)	100.00	87.04	12.96	
Average receipts per ton mile (cents)	0.53	0.46	.07	
Coal freight revenue per mile of road	$10,213.48	$7,618.97	$2,594.51	
Revenue Merchandise Traffic				
Tons of merchandise carried	1,255,153	1,546,280		391,127
Tons of merchandise carried one mile	145,004,505	149,058,595		4,054,090
Tons of merchandise carried one mile per mile of road	498,280	512,211		13,931
Average distance hauled per ton (miles)	115.49	96.40	9.09	
Total merchandise freight revenue	$1,508,955.39	$1,639,311.56		$130,356.17
Average amount received for each ton (cents)	120.22	106.02	14.20	
Average receipts per ton per mile (cents)	1.04	1.10		.06
Merchandise freight revenue per mile of road	5,185.24	5,633.18		447.94

Note: Data for 1918 furnished by United States Railroad Administration.

TRAFFIC STATISTICS FOR YEAR ENDED DECEMBER 31, 1918, COMPARED WITH SAME PERIOD PREVIOUS YEAR—*Continued*

	Year Ended Dec. 31, 1918	Year Ended Dec. 31, 1917	Increase	Decrease
Total Revenue Freight Traffic				
Tons of freight carried	4,222,070	4,093,502	128,568	
Tons of freight carried one mile	701,905,521	626,191,750	75,713,771	
Tons of freight carried one mile per mile of road	2,404,527	2,151,788	252,739	
Average distance hauled per ton (miles)	166.25	152.97	13.28	
Total freight revenue	$4,481,180 04	$3,856,509 47	$624,670 57	
Average amount received for each ton (cents)	106.14	94.21	11.93	
Average amount received per ton per mile (cents)	0.64	0.62	.02	
Freight revenue per mile of road	$15,398 71	$13,252 15	$2,146 56	
Freight revenue per train mile	6.46	6.46		
Average number of tons of freight per train mile	1,013.26	1,048.45		35.19
Average number of tons of freight per loaded car mile	38.44	35.29	3.15	
All Freight (including company material hauled free)				
Number of tons carried	4,461,518	4,268,933	192,585	
Number of tons carried one mile	725,727,073	645,246,427	80,480,646	
Average number of tons of freight per train mile	1,047.65	1,080.36		32.71
Average number of tons of freight per loaded car mile	39.74	36.36	3.38	
Revenue and Operating Expenses				
Passenger and freight train revenue	$4,971,011 64	$4,240,634 23	$730,377 41	
Passenger and freight train revenue per mile of road	17,081 93	14,572 12	2,509 81	
Gross operating revenue	5,022,385 26	4,285,390 11	736,995 15	
Gross operating revenue per mile of road	17,258 46	14,725 92	2,532 54	
Gross operating revenue per revenue train mile	5 11	4 76	35	
Operating expenses (taxes excluded)	3,748,029 87	2,450,309 64	1,297,720 23	
Operating expenses per mile of road	12,879 35	8,420 02	4,459 33	
Operating expenses per revenue train mile	3 82	2 72	1 10	
Net operating revenue	1,274,355 39	1,835,080 47		$560,725 08
Net operating revenue per mile of road	4,379 08	6,305 90		1,926 82
Net operating revenue per revenue train mile	1 30	2 04		74

Note: Data for 1918 furnished by United States Railroad Administration.

LIST OF NEW INDUSTRIES ESTABLISHED FROM JANUARY 1, 1918 TO DECEMBER 31, 1918

SHIPPING POINT	NAME	CHARACTER
	KENTUCKY	
Elkhorn City	Guthrie Coal & Mining Company	Coal
	VIRGINIA	
Haysi	Russell Fork Coal Company	Coal
Haysi	Haysi Bottling Works	Bottle Goods
Haysi	Haysi Hardware Company	Hardware
Haysi	Mullins Brothers	Staves and Lumber
Delano	Clintwood Coal Corporation	Coal
Fremont	E. D. Sutherland	Saw Mill
Fremont	Mullins Stave & Lumber Company	Staves and Lumber
Fremont	G. M. Mullins	Staves and Lumber
Trammell	Trammell Coal Corporation	Coal
Dante	Laurel Branch Coal Company	Coal
Hamlin	Edgar Coal Company	Coal
Morefield	Clinch Valley Coal Company	Coal
Burtons Ford	Russell Fork Coal & Mining Company	Coal
Carfax	Evans Coal Company	Coal
Fort Blackmore	J. M. Logan Lumber Company	Saw Mill
Hill	Fraxier Brothers	Saw Mill
	TENNESSEE	
Kingsport	Edgewood Arsenal	Gas Shells
Kingsport	Kingsport Bottling Works	Bottle Goods
Kingsport	Kingsport Manufacturing Company	Brooms
Kingsport	Citizens Supply Company	Building Material
Kingsport	Kingsport Wood Reduction Company	Wood Alcohol, etc.
Johnson City	Automatic Mine Door Company	Mine Doors
Johnson City	Crescent Tub Manufacturing Company	Tubs and Cheese Boxes
Unicoi	Southern Manganese Corporation	Miners
	NORTH CAROLINA	
Toecane	Standard Oil Company	Sub-Station
Toecane	J. A. Riley	Saw Mill
Toecane	Hawk Mining Company	Mica
Boonford	Edge Brothers	Saw Mill
Switzerland	G. R. Dale	Saw Mill
Sevier	M. L. Good & Company	Saw Mill

NOTE: Data furnished by United States Railroad Administration.

SIDINGS, SPURS AND ADDITIONAL YARD TRACKS BUILT FROM JANUARY 1, 1918, TO DECEMBER 31, 1918

Mile Post		Miles
	Kentucky	
1.3	Siding for East Elkhorn Coal Company	.106
1.6	Siding for Bently Coal Company	.095
	Virginia	
15.0	Siding for Steinman Development Company	.027
15.1	Spur from Delano Passing Siding Extended	.031
25.0	Spur from Allen Passing Siding Extended	.022
32.2	Siding for Virginia Banner Coal Corporation No. 1	.551
32.2	Siding for Virginia Banner Coal Corporation No. 2	.187
32.2	Siding for Virginia Banner Coal Corporation No. 3	.235
32.2	Crossover Virginia Banner Coal Corporation	.033
36.3	Dante Yard Round House Track No. 1	.095
36.3	Dante Yard Round House Track No. 2	.111
39.2	Siding for Hamlin Coal Company	.087
48.3	Siding for Virginia Iron, Coal & Coke Company	.297
Laural Br.	Tail track extended at Wilder	.014
	Tennessee	
93.0	Siding for Clinchfield Portland Cement Corporation owned by industry, operated by Railway	1.472
95.4	Edgewood Arsenal No. 1	.545
95.4	Edgewood Arsenal No. 2	.058
95.5	Siding for American Wood Reduction Company	.396
108.7	Nelson & Watkins	.046
	North Carolina	
182.0	Siding for Carolina Mineral Company	.045
212.0	Siding for M. L. Good	.049
	Total	4.502
	Total tracks removed during period	0.191
	Net length of tracks added during period	4.311

Note: Data furnished by United States Railroad Administration.

EXPENDITURES FOR ADDITIONS AND BETTERMENTS CHARGED TO CAPITAL ACCOUNT, FOR THE PERIOD JANUARY 1, 1918, TO DECEMBER 31, 1918

Right of way	$22,903 21
Tunnel improvements	50,251 66
Ties, rails and other track material	19,786 84
Bridges, trestles and culverts	27,693 74
Ballast	13,332 31
Fencing right of way	433 39
Crossings and signs	802 74
Station and office buildings	1,936 30
Miscellaneous structures	21,254 84
Shops and engine houses	54,577 21
Shop machinery	16,272 89
Freight-train cars	23,056 59*
Assessments for public improvements	458 90
Locomotive engines	20,788 56
Telegraph and telephone lines	1,338 97
Total	$228,774 97

0.39 acre was purchased in connection with the installation of water station at Raccoon Branch.

207 lineal feet of concrete lining and one concrete portal were placed in Kendricks Tunnel, completing the concrete lining needed in the tunnel.

220 lineal feet of concrete lining and one concrete portal were placed in Perkins Tunnel, completing the lining of this tunnel.

48 lineal feet of wooden trestle were replaced by a fill and two concrete abutments at Robinson Creek Bridge.

108 lineal feet of wood trestle were replaced by a fill and 138 lineal feet of 6-foot concrete arch at Mile Post 193.25 near Speedy Tunnel.

96 lineal feet of wooden trestle were replaced by a fill. 32 lineal feet of 3′ x 4′ concrete box culvert and a concrete retaining wall 99 feet long and 37 feet high at its center at Mile Post 197.94.

A net length of 4.31 miles of sidings was built during the period.

Two street crossing gates were installed at Cherokee Street, Kingsport, Tennessee.

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* Credit.

NOTE: Data furnished by United States Railroad Administration.

EXPENDITURES FOR ADDITIONS AND BETTERMENTS CHARGED TO CAPITAL ACCOUNT, FOR THE PERIOD JANUARY 1, 1918, TO DECEMBER 31, 1918—*Continued*

A water station with gravity supply of 60,000 gallon steel tank was installed at Raccoon Branch.

The following improvements were made at Erwin, Tennessee:

A brick and concrete oil house, 30' x 51'6", and a brick car wheel shop 46'7" x 101'4" were built; a brick addition, 38'2" x 69'6" was built to the machine shop; a frame toilet 10' x 20' was built on the yard; an electric blue-print frame was purchased for the Engineering Department. Three-room frame employees houses, 16' x 27' with 12' x 13' ell were built at Dante, Va.; Elkhorn City, Ky., and Kingsport, Tennessee. Four-room frame employees houses, 23'6" x 29'6" were built at Dante, Va., and Elkhorn City, Ky. Standard wooden tool houses, 12' x 18' were built at Linville Falls, N. C.; Spartanburg, S. C.; Okolona, Tennessee; Johnson City, Tennessee; Clinchfield, Virginia, and Boody, Virginia.

An additional well, 12' square and 30' deep was dug to increase the water supply at Kingsport, Tennessee.

A concrete ash pit with pneumatic ash conveyor was built at Dante, Va., and Bostic, N. C.

Wooden Watchman's boxes, 6' x 6', were built at the following bridges:

Pool Point,
Pacolet River,
Lawsons Fork,
Third Clinch River,
Copper Creek Viaduct,
North Fork Holston River,
South Fork Holston River,
Boone Creek Viaduct,
Catawba River Viaduct,
Seventh Crossing,
Second Broad River,
Broad River Viaduct.

A telephone line, 1.5 miles long, was built from Spartanburg, S. C., to Hayne, S. C.

NOTE: Data furnished by United States Railroad Administration.

MAINTENANCE OF WAY AND STRUCTURES, YEAR ENDED DECEMBER 31, 1918

Total expenditures for maintenance of way and structures, $684,515.12, or $2,352.20 per mile operated.

135,700 cross ties used in maintaining existing tracks.

WEIGHT OF RAIL IN MAIN TRACT, YEAR ENDED DECEMBER 31, 1918

As Measured for Valuation of Railway

	C., C. & O. Railway			C., C. & O. Railway of S. C.		Total
	Main Line	Branches	Sidings	Main Line	Sidings	Main Line and Branches
	Miles	Miles	Miles	Miles	Miles	Miles
Owned						
105-lb. Rail	1.63	....	....	....	....	1.63
90-lb. Rail	2.41	....	0.81	....	....	3.22
85-lb. Rail	256.94	7.87	77.08	18.09	5.51	365.49
80-lb. Rail	0.07	....	3.57	....	....	3.64
60-lb. Rail	....	2.20	34.87	....	1.09	38.16
45-lb. Rail	....	....	0.39	....	....	0.39
Total owned	261.05	10.07	116.72	18.09	6.60	412.53
Leased						
85-lb. Rail	3.42	....	5.35	....	....	8.77
Owned by Industries						
85-lb. Rail	....	....	1.43	....	....	1.43
60-lb. Rail	....	....	0.98	....	....	0.98
Total owned and leased	264.47	10.07	124.48	18.09	6.60	423.71

Note: Data furnished by United States Railroad Administration.

BALLAST IN MAIN TRACK ON DECEMBER 31, 1918

Additional ballast placed on track during the year 1918, as follows:

	Virginia	Tennessee	North Carolina	South Carolina	Total
Stone—Cubic yards	6,970	2,160	7,480	720	17,330
Slag—Cubic yards	4,662	6,636	6,594	540	18,432
Total	11,632	8,796	14,074	1,260	35,762

General distribution of all ballast is as follows:

	Main Line		Spur Lines	Total
	C., C. & O. Ry.	C., C. & O. Ry of S. C.	C., C. & O. Ry	
	Miles	Miles	Miles	Miles
Stone*	145.00	9.22		154.22
Stone and slag mixed	46.61	2.30		48.91
Slag†	65.30	6.32	9.75	81.37
Bridges	4.14	.25	.32	4.71
Total	261.05	18.09	10.07	289.21‡

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* In general, stone ballast used in cuts and old embankments.
† Slag used on embankments liable to settle.
‡ Tracks leased and used jointly excluded.

Note: Data furnished by United States Railroad Administration.

STATEMENT OF EQUIPMENT FOR YEAR ENDED DECEMBER 31, 1918, COMPARED WITH SAME PERIOD PREVIOUS YEAR

Locomotives

Type	Owned or Leased Dec. 31, 1918	Owned or Leased Dec. 31, 1917	Weight and Tractive Power	
			Average Weight	Average Tractive Power
Mogul (2-6-0)	1	1	126,000	21,400
Ten-wheel (4-6-0)	5	5	158,400	27,200
Consolidation (2-8-0)	2	2	178,000	41,160
Consolidation (2-8-0)	15	15	199,150	43,882
Mallet (2-6-6-2)	21	21	368,625	73,859
Pacific (4-6-2)	5	5	253,120	40,744
Mikado (2-8-2)	2	2	244,575	44,750
Total freight and passenger	51	51	13,757,125	2,742,210
Average	.....	.....	269,747	53,769
In work train	2	2		
Leased	1	1		
Total locomotives	**54**	54		

	1918	1917
Number of locomotives through shop	60	50
Number of locomotives in shop being repaired and awaiting repairs at end of year	4	4
Average amount expended for repairs per locomotive in service	$9,138 94	$5,123 93
Freight Locomotives		
Number	41	41
Total tractive power, pounds	2,402,590	2,402,590
Average tractive power, pounds	58,600	58,600

Passenger Cars

Average amount expended for repairs and cleaning per passenger train car owned	$814.50
Number of passenger train cars through shop	18
Number of passenger train cars in shop at end of year	2

Owned and in Service	Construction	Year Ended Dec. 31, 1918	Year Ended Dec. 31, 1917	Increase	Decrease
Combination, baggage and mail	All steel	6	6		
Combination, baggage and express	Wooden	1	1		
	Steel underframe	2	2		
Coaches	Wooden	0	1		1
	Vestibule and Steel underframe	24	24		
Coach, gas-electric	All steel	1	1		
Total	....	34	35		1

Note: Data for 1918 furnished by United States Railroad Administration.

STATEMENT OF EQUIPMENT FOR YEAR ENDED DECEMBER 31, 1918, COMPARED WITH SAME PERIOD PREVIOUS YEAR—*Continued*

FREIGHT CARS

Average amount expended for repairs per freight car owned	$30.43
Total number of freight train cars repaired	32,753

Owned and in Service	Description	Capacity in Pounds	Year Ended Dec. 31, 1918	Year Ended Dec. 31, 1917	Increase	Decrease
Stock	Steel underframe	60,000	318	318		
Box	Wood	60,000	172	178		6
Box	Steel underframe	60,000	718	719		1
Flat	Wood	40,000	3	4		1
Flat	Wood	60,000	70	77		7
Flat	Steel underframe	100,000	100	100		
Gondolas	Steel	100,000	743	743		
Hoppers	Steel	100,000	3,816	3,820		4
Hoppers	Steel	110,000	668	....	668	
Caboose	Steel underframe	....	21	21		
Totals	....	....	6,629	5,980	668	19
Net increase	....	....	....	....	649	
Tonnage capacity	....	....	309,760	272,070		
Average tonnage capacity	....	....	46.88	45.66		

WORK EQUIPMENT

Owned and in Service	Description	Year Ended Dec. 31, 1918	Year Ended Dec. 31, 1917	Increase	Decrease
Business	....	2	2		
Camp	Wood	53	53		
Dump	Steel	28	28		
Pile driver	Steel underframe	1	1		
Derrick	Steel	1	1		
Steam shovels	Steel underframe	2	2		
Scoop	Wood	2	2		
Spreaders	Wood	3	3		
Scale test	Steel	1	1		
Totals	....	93	93		

NOTE: Data for 1918 furnished by United States Railroad Administration.

EQUIPMENT PERFORMANCE FOR YEAR ENDED DECEMBER 31, 1918, COMPARED WITH SAME PERIOD PREVIOUS YEAR

	Year Ended Dec. 31, 1918	Year Ended Dec. 31, 1917	Increase	Decrease
Locomotives				
Cost per mile run (Cents)				
Enginemen	18.91	13.59	5.32	
Enginehouse Expenses	6.11	2.31	3.80	
Fuel	31.95	17.58	14.37	
Water	1.08	.67	.41	
Lubricants	.57	.43	.14	
Other supplies	.99	.69	.30	
Repairs and renewals	36.86	17.29	19.57	
Depreciation	.95	.99	......	.04
Total cost per locomotive mile (cents)	97.42	53.55	43.87	.04
Pounds coal consumed per locomotive mile	247.40	223.42	23.98	
Pounds coal consumed per freight locomotive mile	328.36	299.34	29.02	
Pounds coal consumed per passenger locomotive mile	114.23	96.72	17.51	
Pounds coal consumed per mixed locomotive mile	301.74	200.31	101.43	
Pounds coal consumed per special locomotive mile	....	96.72	....	96.72
Pounds coal consumed per switching locomotive mile	126.81	114.04	12.77	
Pounds coal consumed per non-revenue locomotive mile	119.25	69.25	50.00	
Locomotive miles per ton of coal	8.09	8.95	....	.86
Freight locomotive miles per ton of coal	6.09	6.68	....	.59
Passenger locomotive miles per ton of coal	17.51	27.72	....	10.21
Mixed locomotive miles per ton of coal	6.63	9.98	....	3.35
Special locomotive miles per ton of coal	....	27.72	....	27.72
Switching locomotive miles per ton of coal	15.77	17.54	....	1.77
Non-revenue locomotive miles per ton of coal	16.77	28.88	....	12.11
Locomotive miles run per pint of oil	11.71	14.71	....	3.00
Average number of locomotives in service per month	50.00	49.00	1.00	
Average mileage per locomotive per month	2,593	2,672	....	.79
Total tons of coal consumed	204,819	175,500	29,319	
Average cost per ton of coal	$2.50	$1.60	.90	
Passenger Cars				
Pounds coal consumed per passenger train car mile	31.81	28.51	3.30	
Number passenger cars handled one mile per ton of coal	62.88	70.15	....	7.27
Freight Cars				
Pounds coal consumed per freight car mile (excluding caboose)	10.71	9.62	1.09	
Number freight cars handled one mile per ton of coal	185.41	207.91	......	22.50

Note: Data for 1918 furnished by United States Railroad Administration.

MILEAGE STATISTICS FOR YEAR ENDED DECEMBER 31, 1918, COMPARED WITH SAME PERIOD PREVIOUS YEAR

	Year Ended Dec. 31,1918	Year Ended Dec. 31, 1917	Increase	Decrease
Locomotive Mileage				
Of revenue freight trains	1,004,695	932,545	72,150	
Of revenue passenger trains	289,639	288,855	784	
Of revenue mixed trains	7,629	5,122	2,507	
Of revenue special trains		4,396		4,396
Of revenue switching service	284,705	264,860	19,845	
Of non-revenue trains	69,133	75,231		6,098
Total	1,655,801	1,571,009	95,286	10,494
Net Increase			84,792	
Train Mileage				
Of revenue freight trains	685,089	592,145	92,944	
Of revenue passenger trains	289,175	299,025		9,850
Of revenue mixed trains	7,629	5,108	2,521	
Of revenue special trains		4,052		4,052
Of non-revenue trains	68,950	68,953		3
Total	1,050,843	969,283	95,465	13,905
Net Increase			81,560	
Car Mileage and Statistics.				
Mileage of loaded freight cars	18,260,909	17,745,260	515,649	
Mileage of empty freight cars	12,535,798	11,273,648	1,262,150	
Mileage of caboose cars	677,737	588,900	88,837	
Total mileage of freight train cars	31,474,444	29,607,808	1,866,636	
Mileage of passenger cars	703,457	685,654	17,803	
Mileage of sleeping, parlor and observation cars.	22,592	554	22,038	
Mileage of other passenger train cars	314,104	308,730	5,374	
Total mileage of passenger train cars	1,040,153	994,938	45,215	
Net Increase			45,215	
Mileage of special cars		51,573		51,573
Mileage of non-revenue cars	533,815	581,513		47,698
Average number of loaded cars in each freight train	33.59	18.93	14.66	
Average number of empty cars in each freight train, excluding caboose	21.80	12.02	9.78	
Average number of cars in each freight train, excluding caboose	55.39	30.95	24.44	
Percentage of loaded cars in each freight train	60.65	61.16		.51
Average number of passenger train cars in each passenger train	3.43	3.38	.05	

Note: Data for 1918 furnished by United States Railroad Administration.

CAROLINA, CLINCHFIELD

ASSETS AND LIABILITIES OF CONTROLLED

ASSETS

CAROLINA, CLINCHFIELD AND OHIO RAILWAY OF KENTUCKY:		
Franchise		$5,000 00
CLINCHFIELD NORTHERN RAILWAY:		
Franchise		5,000 00
CLINCHFIELD NORTHERN RAILWAY OF KENTUCKY:		
Railroad		505,000 00
ELKHORN SOUTHERN RAILWAY:		
Franchise		5,000 00
HOLSTON CORPORATION:		
Investment in real estate	$330,533 57	
Real estate improvements	270,167 21	
Investment in stocks	1,094,459 82	
Construction of Charleston Terminal	355,085 13	
Other investments	154,337 78	
Available assets	56,904 52	
Deferred debit items	35,373 86	
Profit and loss	325,115 41	2,621,977 30
LICK CREEK & LAKE ERIE RAILROAD:		
Franchise		100,000 00
SOUTH AND WESTERN RAILROAD COMPANY (OF NORTH CAROLINA):		
Franchise		600,000 00
SOUTH AND WESTERN RAILROAD (OF TENNESSEE):		
Franchise		2,270,000 00
SOUTH AND WESTERN RAILWAY COMPANY, CONSOLIDATED:		
Franchise		100,000 00
SOUTH & WESTERN RAILWAY COMPANY (OF NORTH CAROLINA):		
Franchise		100,000 00
SOUTHPORT HARBOR COMPANY:		
Real estate	1,999,000 00	
Profit and loss	9,011 13	2,008,011 13
SPARTANBURG LAND COMPANY:		
Real estate	749,300 00	
Accounts receivable, Carolina, Clinchfield and Ohio Railway	1,475 50	
Cash	147 50	750,923 00

AND OHIO RAILWAY

COMPANIES AS OF DECEMBER 31, 1918, ARE AS FOLLOWS:

LIABILITIES

CAROLINA, CLINCHFIELD AND OHIO RAILWAY OF KENTUCKY:		
Capital stock	....	$5,000 00
CLINCHFIELD NORTHERN RAILWAY:		
Capital stock	....	5,000 00
CLINCHFIELD NORTHERN RAILWAY OF KENTUCKY:		
Capital stock	$5,000 00	
First Mortgage Bonds	500,000 00*	505,000 00
ELKHORN SOUTHERN RAILWAY:		
Capital stock	....	5,000 00
HOLSTON CORPORATION:		
Capital stock	$750,000 00	
Five Per Cent. Realty and Collateral Trust Convertible Notes	1,500,000 00	
Current liabilities	362,520 98	
Deferred credit items	9,456 32	
		2,621,977 30
LICK CREEK & LAKE ERIE RAILROAD:		
Capital stock	....	100,000 00
SOUTH AND WESTERN RAILROAD COMPANY (OF NORTH CAROLINA):		
Capital stock	....	600,000 00
SOUTH AND WESTERN RAILROAD (OF TENNESSEE):		
Capital stock	....	2,270,000 00
SOUTH AND WESTERN RAILWAY COMPANY, CONSOLIDATED:		
Capital stock	....	100,000 00
SOUTH AND WESTERN RAILWAY COMPANY (OF NORTH CAROLINA):		
Capital stock	....	100,000 00
SOUTHPORT HARBOR COMPANY:		
Capital stock	$2,000,000 00	
Accounts payable, Carolina, Clinchfield and Ohio Railway	8,011 13	2,008,011 13
SPARTANBURG LAND COMPANY:		
Capital stock	750,000 00	
Profit and loss	923 00	750,923 00

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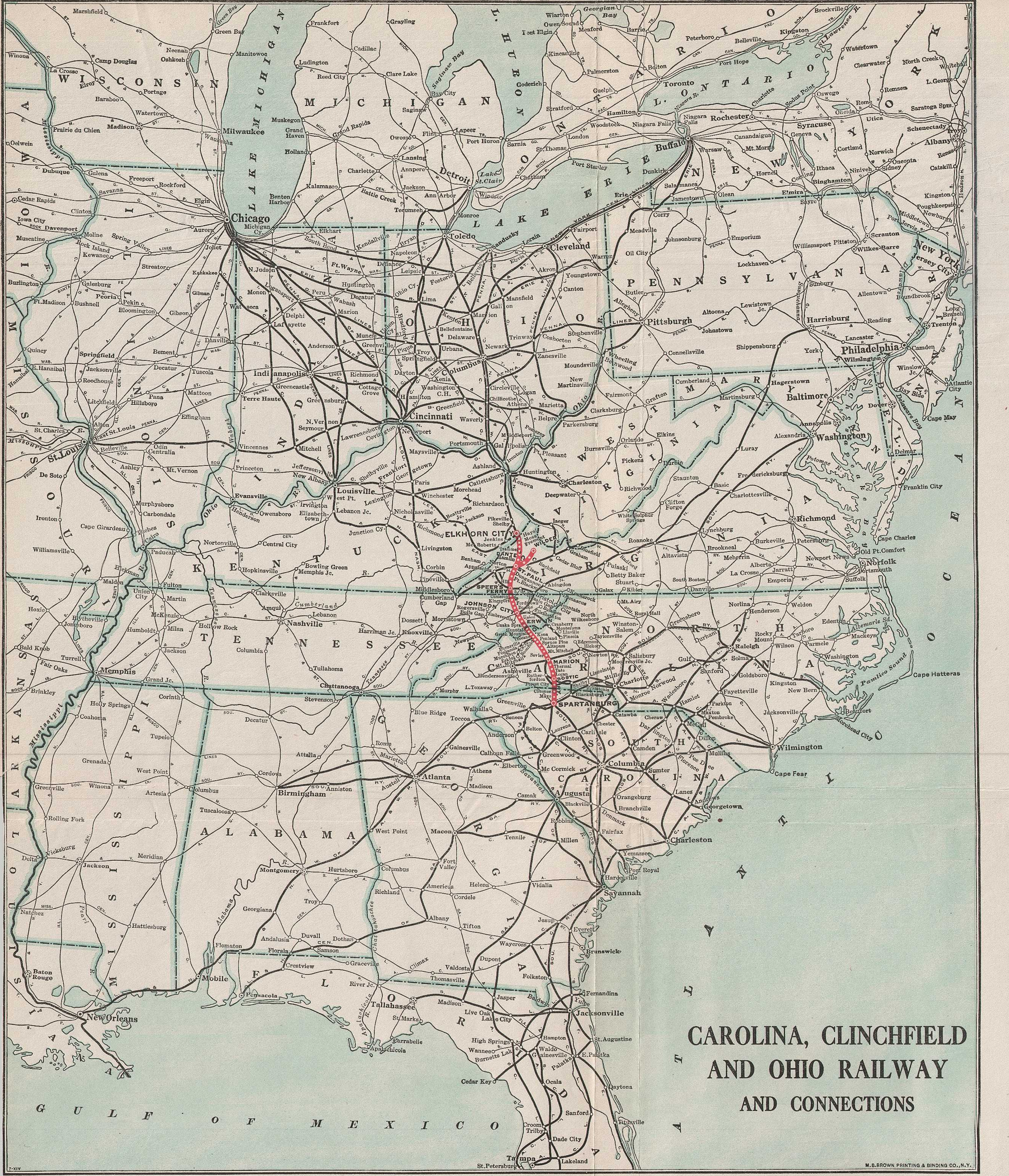
* Owned by Carolina, Clinchfield and Ohio Railway.

CAROLINA, CLINCHFIELD AND OHIO RAILWAY

Income accounts of controlled companies having income for year ended December 31, 1918, are as follows:

HOLSTON CORPORATION:		
Expenses:		
Interest on 5 Per Cent. Realty and Collateral Trust Convertible Notes	$75,000 00	
General Expenses	15,618 50	
Interest and Discount	16,716 78	
Taxes	9,487 33	
Property Repairs and Expenses	1,046 36	
Insurance	4,610 43	
Sale of Orchard Products	294 00	
Expense Handling Material on Consignment	147 50	
Material on Consignment	7 15	
		$122,928 05
Income:		
Rents	$16,928 26	
Profit on Real Estate Sold	2,794 00	
Profit from Operation of St. Paul Quarry	5,425 03	
Rental Leased Rail	72 06	
Miscellaneous Earnings	587 67	
		25,807 02
Net loss for year ended December 31, 1918		$97,121 03
SPARTANBURG LAND COMPANY:		
Income:		
Rents		$3,177 78
Expenses:		
Taxes	$2,206 91	
Repairs	268 00	
Traveling Expenses	120 97	
		2,595 88
Net income for year ended December 31, 1918		$581 90


WISCONSIN
MICHIGAN
LAKE MICHIGAN
L. HURON
Georgian Bay
Saginaw Bay
ONTARIO
L. ONTARIO
LAKE ERIE
NEW YORK
PENNSYLVANIA
NEW JERSEY
DELAWARE
MARYLAND
OHIO
INDIANA
ILLINOIS
IOWA
MISSOURI
KENTUCKY
WEST VIRGINIA
VIRGINIA
TENNESSEE
NORTH CAROLINA
SOUTH CAROLINA
GEORGIA
ALABAMA
MISSISSIPPI
ARKANSAS
LOUISIANA
FLORIDA
GULF OF MEXICO
ATLANTIC OCEAN
Mississippi R.
Ohio R.
Wabash R.
Cumberland
Tennessee R.
Savannah R.
Potomac R.
Susquehanna R.
Delaware Bay
Albemarle Sd.
Pamlico Sound
Cape Hatteras
Cape Fear
Cape May
Cape Charles
Chicago
Milwaukee
Detroit
Toledo
Cleveland
Buffalo
Toronto
Hamilton
Niagara Falls
Rochester
Syracuse
Albany
Troy
Schenectady
Utica
Binghamton
Erie
Pittsburgh
Harrisburg
Philadelphia
New York
Jersey City
Trenton
Camden
Atlantic City
Wilmington
Baltimore
Annapolis
Washington
Alexandria
Richmond
Petersburg
Norfolk
Portsmouth
Newport News
Old Pt. Comfort
Lynchburg
Roanoke
Bristol
Abingdon
Charleston
Huntington
Kenova
Ashland
Columbus
Cincinnati
Covington
Newport
Dayton
Springfield
Indianapolis
Terre Haute
Evansville
Louisville
Lexington
Frankfort
St. Louis
East St. Louis
Alton
Cairo
Paducah
Memphis
Nashville
Knoxville
Chattanooga
Atlanta
Birmingham
Montgomery
Mobile
New Orleans
Baton Rouge
Vicksburg
Jackson
Macon
Augusta
Savannah
Columbia
Charlotte
Greensboro
Winston-Salem
Raleigh
Durham
Asheville
Greenville
Charleston
Wilmington
Jacksonville
Tallahassee
Pensacola
St. Augustine
Tampa
St. Petersburg
Lakeland
Ocala
Gainesville
Cedar Key
ELKHORN CITY
DANTE
ST. PAUL
SPEER'S FERRY
JOHNSON CITY
ERWIN
MARION
BOSTIC
SPARTANBURG
Jenkins
Shelby
Pikeville
Haysi
Moss
Fremont
WILDER
Hamlin
Kiser
Dungannon
Ft. Blackmore
Kingsport
Unaka Springs
Huntdale
Toecane
Spruce Pine
Altapass
Thermal
Tate
Forest City
Chesnee
Mayo
CAROLINA, CLINCHFIELD AND OHIO RAILWAY AND CONNECTIONS
7-XIV

CAROLINA, CLINCHFIELD AND OHIO RAILWAY

AND CONNECTIONS

M. B. BROWN PRINTING & BINDING CO., N.Y.